Congress of the United States Washington, DC 20515

February 15, 2000

Support Sensible Computer Export Regime

Ensure Continued Global Leadership for U.S. Computer Industry

Dear Colleague:

We are writing to urge you to join us in cosponsoring legislation to shorten the waiting period for changes to the thresholds for export controls on high speed computers to 30-days. The fact is, the current <u>six-month waiting period</u> does not make sense for technology products that have a <u>three-month innovation cycle</u>. Our commonsense legislation would make the waiting period more reasonable and bring it into line with the pace of technological change driven by U.S. computer makers.

The computer industry continues to be a driving force behind our nation's economic growth and job creation. Its strength and vitality has been an important factor in maintaining our national security. The U.S. computer industry has been able to make these contributions to the nation because of its ability to remain in the forefront of rapidly changing technology. Waiting six-months for U.S. export controls to be updated compromises the U.S. computer industry's ability to compete with its foreign counterparts. We must at least be able to bring the newest technologies to the marketplace within the same time frame as our foreign competitors.

Just take a look at some of the problems experienced recently by U.S. computer companies. Last September, Apple Computer introduced it's new G4 personal computer system. The export controls designed to restrict the export of "supercomputers" actually applied to this PC! Shortly thereafter, the IBM Aptiva personal computer line came onto the market with computing power that also exceeded those export control thresholds. Despite the fact that the Administration updated the computer power thresholds months before, both Apple and IBM were unable to sell their new computer systems in over 50 countries until January 23, 2000. We believe that these recent experiences clearly demonstrate the harm caused by a 6-month delay in adjusting the export control threshold, and the need to reduce this waiting period to 30-days.

We believe that bringing the congressional review period into conformity with the pace of change in this vibrant technology industry is fully consistent with protecting our national security, and will help ensure continued U.S. leadership in this key industry. If you wish to cosponsor this bipartisan legislation, please contact Amanda Barnett at 6-4462.

Sincerely,

David Dreier

Zoe Lofgren